

Dissertation Title:

Enhancing Customer Retention in Retail Through Logistic Service Quality: The role of Omnichannel Capability, Operational Flexibility, Technological Innovation, and the Moderating Effect of Entrepreneurial Orientation

Background:

This dissertation aims to contribute to the current Dynamic Capability theory within strategic management that focuses on an organisation's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments. This framework, developed by David Teece, Gary Pisano, and Amy Shuen in their 1997 paper, emphasizes the importance of adaptive, innovative, and absorptive capacities in creating and sustaining competitive advantage, especially in industries characterized by fast-paced change. In the context of omnichannel retailing, it involves providing a seamless shopping experience to customers across various channels, including online platforms, mobile apps, and physical stores. Exploring the intersection of dynamic capabilities theory with omnichannel retailing and logistic service quality presents several promising avenues for future research. As customer retention becomes an increasingly crucial goal for retailers, understanding how these elements can be optimized and integrated offers significant potential for theoretical and practical advancements. The dissertation research analyses variables on omnichannel capability, operational flexibility, and technological innovation that impact logistic service quality and how it affects on customer retention in retail, with entrepreneurial orientation as a moderating factor. Each of these areas not only contributes to the academic understanding of how dynamic capabilities influence omnichannel retailing and logistic service quality but also provides actionable insights for practitioners looking to enhance customer retention. By addressing these gaps, researchers can help retailers better navigate the complexities of today's market environments, ultimately leading to more resilient and customer-centric business models.

Purpose:

The study is expected to provide significant insights into the roles of omnichannel capabilities, operational flexibility, and technological innovation, and how they work together to improve customer retention in retail. By doing so, it aims to contribute valuable new understanding to the existing body of literature in the retail management field. Additionally, it aims to demonstrate how entrepreneurial orientation moderates these relationships, adding a strategic dimension to the effective management of logistic service quality and customer retention.

Research Questions:

There are several research questions developed on the research

1. How do omnichannel capabilities, operational flexibility, and technological innovation, affect Operational Logistic Service Quality?
2. How do entrepreneurial orientation moderate the affect of Omnichannel capabilities, operational flexibility, and technological innovation on Operational Logistic Service Quality?
3. How Operational Logistic Service Quality influences customer retention from the perspective of retail managers and decision-makers?

Originality/Value:

This research contributes to the existing body of knowledge by integrating multiple dimensions of retail strategy and operations. It offers a unique perspective on how the interplay between omnichannel capabilities, flexibility, technology, and entrepreneurial thinking can collectively affect logistic service quality, and then drive customer retention which is a crucial metric in today's competitive retail landscape.

Research Benefits:

Beyond academia, the research serves as a valuable resource for retail industry practitioners. It guides the development of nuanced retail strategies that integrate technological innovations with operational flexibility, aimed at improving customer experience and loyalty. By delineating the technological advancements that significantly impact logistic service quality and customer retention, the study aids retailers in prioritizing their technological investments effectively. Moreover, it champions the cause of entrepreneurial orientation, urging retailers to embrace innovation, proactiveness, and a willingness to take calculated risks in navigating the complexities of the current retail landscape.

On a practical level, the insights garnered from this research have the potential to revolutionize customer retention strategies. It underscores the importance of translating operational and technological enhancements into tangible improvements in customer satisfaction and loyalty. Furthermore, the study advocates for operational excellence through flexibility and innovation, which are crucial for maintaining high service quality amidst market dynamism. It also encourages cross-functional collaboration within retail organizations, highlighting the synergy between various operational aspects, from supply chain logistics to customer engagement, as a cornerstone for success in contemporary retail.

Research Limitation:

The scope of this research is designed to focus on key areas identified through literature review and theoretical frameworks; however, it is recognized that the retail environment is complex and influenced by a myriad of factors. These could include external market conditions, consumer behavior changes not directly captured by omnichannel capabilities, or even emerging technologies beyond those considered.

Methodology:

Adopting a quantitative research methodology, this study employs a stratified random sampling of retail businesses across various sectors. A survey is conducted among retail managers and decision-makers, focusing on the constructs of omnichannel capability, operational flexibility, technological innovation, and entrepreneurial orientation. The data collected is analyzed using Structural Equation Modeling (SEM) to test the proposed hypotheses and to understand the relationships between the variables. Additionally, interviews will be conducted to add perspectives as qualitative information.

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